GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:6461
ANSWERED ON:09.05.2002
ELECTRICITY RATES BY NTPC
T. GOVINDAN

Will the Minister of POWER be pleased to state:

(a) whether the NTPC is charging abnormal amount from Kerala Governments with regard to electricity produced at Kayamkulam in Kerala than they charge from other power stations;

(b) if so, the details thereof;

(c) whether the Government of Kerala has represented to reduce the rate; and

(d) if so, the steps taken in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : The tariff for all generating companies including National Thermal Power Corporation (NTPC) owned and controlled by the Central Government is determined by Central Electricity Regulatory Commission (CERC), constituted under the Electricity Regulatory Commissions Act, 1998. Accordingly, the tariff for various NTPC stations including Kayamkulam is determined by CERC.

Kayamkulam is a combined cycle power plant using naphtha as the bridge fuel. Because of high cost of naphtha, the energy charges for Kayamkulam station are higher compared to other thermal power stations of NTPC which use coal or gas as fuel.

The capacity and energy charges for Kayamkulam station at normative level of generation of 68.49% plant load factor (PLF) as per provisional tariff approved by CERC are as follows :

```
Capacity Charges - Rs. 259.84 crore per annum.  This works out to
    Rs.1.24/kwh at normative level of generation


Energy Charges  - Rs.2.39/kwh at naphtha price of Rs.13136 per
    Metric ton billed for March, 2002.
```

(c) & (d) : The entire power from Kayamkulam is allocated to Kerala. Ministry of Power had taken up the mater with Government of Kerala to surrender part of its share from Kayamkulam station. After protracted correspondence, Government of Kerala has recently expressed its intention to surrender 100 MW power from this station for one year during off-peak hours. The issue was discussed by Central Electricity Authority with Southern Region State Electricity Boards for inclusion of Kayamkulam power in a pooling arrangement of Regional Energy Accounting of Southern Region. However, the beneficiaries of the Southern Region have shown reluctance to utilize Kayamkulam power at its present tariff on a regular basis. The issue of pooled tariff for power generation from Kayamkulam Station is under discussions with Southern Region states.